

### a) Quarter Achievements

Expected Result	Performance Indicator Name	Target	Baseline as of Jan '07	FY:	07	07	08	08	08	08	09		Note
				Quarter	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
4.2 Regulations governing construction permits improved	# of amendments to construction laws adopted	9	0	Target	0	0	0	2	5	9	9	9	According to TCP IP, legislation should be adopted by FY8Q4. 9 amendments were consolidated into one law (No. 883).
				Actual	0	0	0						
4.2 Streamlined regulatory processes	# of OSS with unified permitting procedures	25	0	Target	0	0	5	10	15	25	25	25	According to TCP IP, procedures should be developed by FY8Q2, implementation will begin in Y8Q3
				Actual	0	0	0						
4.2 Procedures of land parcels connectivity to utilities improved and simplified	# of procedures improved	9	0	Target	0	0	2	3	5	9	9	9	According to TCP IP, legislation should be adopted by FY8Q4 (CM resolution 2328)
				Actual	0	0	0						

Due to changes in structure of a target (consolidation of amendments to construction laws as Law No. 883) and progress with local and national governments, it is recommended that the table above be modified as below.

Expected Result	Performance Indicator Name	Target	Baseline as of Jan '07	FY:	07	07	08	08	08	08	09		Note
				Quarter	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
4.2 Regulations governing construction permits improved	# of amendments to construction laws adopted	1	0	Target	0	0	0	0	0	1	0	0	
				Actual	0	0	0	0					
4.2 Streamlined regulatory processes	# of OSS with unified permitting procedures	25	0	Target	0	0	0	0	0	25	0	0	
				Actual	0	0	0	0					
4.2 Procedures of land parcels connectivity to utilities improved and simplified	# of procedures improved	9	0	Target	0	0	0	0	0	9	0	0	
				Actual	0	0	0						

### b) Last Quarter Activities (January – March 2008)

Activity	Date	Comment
Support in the process of adoption amendments to Permit System Law	January – March	Draft law registered at VR and ready for 1 <sup>st</sup> reading Activity continues through July 2008
Draft amendment to laws to	January – March	Initial draft amendments to the

Activity	Date	Comment
bring them in compliance with PSL		laws “On Fire Safety”, “On Labor Protection”, “On Ensuring Sanitary and Epidemic Safety of the Population” and the Land Code were developed.
Conduct 1 round table to discuss draft amendments		Round table discussion facilitated
Support in the process of adopting amendments		Activity continues through December 2008
Draft amendments to laws in construction sphere	January – March	Amendments incorporated into draft law No. 0883 and are ready for 2 <sup>nd</sup> reading at VR
Draft regulations to improve procedures of construction inspections	January – March	Cabinet of Ministers resolutions drafted and submitted to relevant ministries for endorsement
Conduct 1 round table to discuss draft regulations		Round table discussion facilitated
Support in the process of regulations adoption		Activity continues through December 2008
Analysis of local permitting procedures in the sphere of construction based on 25 OSS offices	January – March	Analysis of 22 offices completed; activity continues through May 2008
Methodological assistance and on-the-job training to selected OSSs and municipalities		Activity continues through December 2008
Conduct WG meetings to develop recommendations for implementation of zoning rules	January – March	2 meetings facilitated
Draft regulations for implementation of zoning rules		Activity continues through May 2008
Draft amendments to CMU resolution and respective regulations that govern connectivity to utilities procedures	January – March	Initial draft amendments completed
Develop amendments to legislation to remove excessive administrative control over property transactions	January – March	Cabinet of Ministers Resolution drafted, other drafting expected to continue through July 2008 at GOU request
Conduct 1 round table to discuss draft amendments		Moved to May 2008 at GOU request

Activity	Date	Comment
Conduct 1 national conference on discussing proposed amendments		Moved to May 2008 at GOU request
Draft amendments to relevant legislation in the sphere of soil and water protection	January – March	Initial drafts completed
Conduct 1 round table to discuss drafts		Moved to May 2008 at GOU request

**c) Next Quarter Activities (April – June 2008)**

Activity	Date	Comment
Support in the process of adoption amendments to Permit System Law	April-June	Activity continues through July 2008
Support in the process of adopting amendments to laws to bring them in compliance with PSL	April-June	Activity continues through December 2008
Support in the process of adopting amendments to laws in construction sphere	April-June	Activity continues through December 2008
Support in the process of regulations adoption	April-June	Activity continues through December 2008
Analysis of local permitting procedures in construction based on 25 OSS offices	April-June	Activity continues through May 2008
Methodological assistance and on-the-job training to selected OSSs and municipalities		Activity continues through December 2008
Draft regulations for implementation of zoning rules	April-June	Activity continues through May 2008
Conduct 1 round table to discuss draft amendments		
Conduct 1 training on the issue of implementation of zoning principle		
Conduct 1 Round table to draft amendments to CMU resolution and respective regulations that govern connectivity to utilities procedures	April-June	
Support in the process of regulations adoption		Activity continues through December 2008

Activity	Date	Comment
Develop amendments to legislation to remove excessive administrative control over property transactions	April-June	Activity extended through July 2008 at GOU request
Conduct 1 round table to discuss draft amendments		Activity continues through May 2008 at GOU request
Conduct 1 national conference on discussing proposed amendments		Activity continues through May 2008 at GOU request
Support in the process of regulations adoption		Activity continues through December 2008
Conduct 1 round table to discuss drafts legislation in the sphere of soil and water protection	April-June	Moved to May 2008 at GOU request
Support in the process of legislation adoption		Activity continues through December 2008

#### **d) Major Implementation Issues**

- The TCP IP calls for consolidation of soil and water protection functions under the Ministry of Environmental Protection. By the end of this quarter, all relevant amendments to legislation are drafted. However, Presidential Decree No. 121/2008 dated February 14, 2008 states that the State Land Inspectorate is subordinate to the State Committee for Land Resources. This contradicts the MCC TCP IP as the State Land Inspectorate retains all its functions and remains under the State Committee for Land Resources. The USG and GOU should consider modifying this task.
- The TCP IP requires Ukraine to create the legal basis for a unified real property registry and calls on the State Committee for Land Resources and the Ministry of Justice (MOJ) to work together to prepare the necessary legislation. Neither the TCP nor the IP specifies which state agency shall have authority over the unified real property registry. According to a November 29, 2007 agreement among the blocs forming the Orange Coalition, the registries would be consolidated in the MOJ. On February 14, 2008 President Yushchenko issued a decree that is calling for the implementation of the law “On the State Registration of Rights in Real Property and their Limitation” of 2005, which consolidated the registries under the State Committee for Land Resources. The political uncertainty over which agency will control the unified real property registry did not allow GOU to meet its commitments to draft relevant legislation by April 1, 2008. The GOU and USG should consider modifying and revising deadlines for this task.
- Given current political situation it’s doubtful that the GOU will be able to fulfill its obligations to adopt required legislation by the end of 2008. The USG and GOU should make a decision on extending legislation adoption deadlines through April 2009.